

ORIGINAL

NEW APPLICATION



0000137293

ARIZONA CORPORATION COMMISSION

Application and Petition for Certificate of Convenience and Necessity to Provide
Intrastate Telecommunications Services

Mail original plus 13 copies of completed application to:

For Docket Control Only:
(Please Stamp Here)

Docket Control Center
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007-2927

T-20849A-12-0191

RECEIVED
2012 MAY 25 P 1:00
ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

Please indicate if you have current applications pending
in Arizona as an Interexchange reseller, AOS provider,
or as the provider of other telecommunication services.

Type of Service: _____

Docket No.: _____ Date: _____ Date Docketed: _____

Type of Service: _____

Docket No.: _____ Date: _____ Date Docketed: _____

A. COMPANY AND TELECOMMUNICATION SERVICE INFORMATION

(A-1) Please indicate the type of telecommunications services that you want to provide in Arizona and mark the appropriate box(s).

- ☒ Resold Long Distance Telecommunications Services (Answer Sections A, B).
☐ Resold Local Exchange Telecommunications Services (Answer Sections A, B, C).
☐ Facilities-Based Long Distance Telecommunications Services (Answer Sections A, B, D).
☐ Facilities-Based Local Exchange Telecommunications Services (Answer Sections A, B, C, D, E)
☐ Alternative Operator Services Telecommunications Services (Answer Sections A, B)
☐ Other _____ (Please attach complete description)

(A-2) The name, address, telephone number (including area code), facsimile number (including area code), e-mail address, and World Wide Web address (if one is available for consumer access) of the Applicant:

Toly Digital Networks, Inc.

1005 W. Indiantown Rd. Suite 201

Jupiter, FL 33458-6834

561-694-8655 (voice)

561-694-8656 (fax)

Email: tdn.now@tolydigital.com

Website: www.tolydigital.com

Arizona Corporation Commission

DOCKETED

MAY 25 2012

May 24, 2010

DOCKETED BY

44

(A-3) The d/b/a ("Doing Business As") name if the Applicant is doing business under a name different from that listed in Item (A-2):

N/A

(A-4) The name, address, telephone number (including area code), facsimile number (including area code), and E-mail address of the Applicant's Management Contact:

Mark E. Suto

1005 W. Indiantown Rd. Suite 201

Jupiter, FL 33458-6834

561-694-8655 (voice)

561-694-8656 (fax)

Email: mark.suto@tolydigital.com

(A-5) The name, address, telephone number (including area code), facsimile number (including area code), and E-mail address of the Applicant's Attorney and/or Consultant:

Mike Rubin CPA

5521 University Drive #104

Coral Springs, FL 33067

954-757-0300 (voice)

954-757-7999 (fax)

Email: mike@forrestrubincpa.com

(A-6) The name, address, telephone number (including area code), facsimile number (including area code), and E-mail address of the Applicant's Complaint Contact Person:

Mark E. Suto

1005 W. Indiantown Rd. Suite 201

Jupiter, FL 33458-6834

561-694-8655 (voice)

561-694-8656 (fax)

Email: mark.suto@tolydigital.com

(A-7) What type of legal entity is the Applicant? Mark the appropriate box(s) and category.

☐

Sole proprietorship

☐

Partnership: _____ Limited, _____ General, _____ Arizona, _____ Foreign

☐

Limited Liability Company: _____ Arizona, _____ Foreign

☒

Corporation: _____ "S", X "C", _____ Non-profit

☐

Other, specify: _____

(A-8) Please include "Attachment A":

Attachment "A" must include the following information:

1. A copy of the Applicant's Certificate of Good Standing as a domestic or foreign corporation, LLC, or other entity in Arizona.
2. A list of the names of all owners, partners, limited liability company managers (or if a member managed LLC, all members), or corporation officers and directors (specify).
3. Indicate percentages of ownership of each person listed in A-8.2.

(A-9) Include your Tariff as "Attachment B".

Your Tariff must include the following information:

1. Proposed Rates and Charges for each service offered (reference by Tariff page number).
2. Tariff Maximum Rate and Prices to be charged (reference by Tariff page number).
3. Terms and Conditions Applicable to provision of Service (reference by Tariff page number).
4. Deposits, Advances, and/or Prepayments Applicable to provision of Service (reference by Tariff page number).
5. The proposed fee that will be charged for returned checks (reference by Tariff page number).

(A-10) Indicate the geographic market to be served:



Statewide. (Applicant adopts statewide map of Arizona provided with this application).



Other. Describe and provide a detailed map depicting the area.

(A-11) Indicate if the Applicant or any of its officers, directors, partners, or managers has been or are currently involved in any formal or informal complaint proceedings before any state or federal regulatory commission, administrative agency, or law enforcement agency.

Not Applicable

Describe in detail any such involvement. Please make sure you provide the following information:

1. States in which the Applicant has been or is involved in proceedings.
2. Detailed explanations of the Substance of the Complaints.
3. Commission Orders that resolved any and all Complaints.
4. Actions taken by the Applicant to remedy and/or prevent the Complaints from re-occurring.

(A-12) Indicate if the Applicant or any of its officers, directors, partners, or managers has been or are currently involved in any civil or criminal investigation, or had judgments entered in any civil matter, judgments levied by any administrative or regulatory agency, or been convicted of any criminal acts within the last ten (10) years.

Not Applicable

Describe in detail any such judgments or convictions. Please make sure you provide the following information:

1. States involved in the judgments and/or convictions.
2. Reasons for the investigation and/or judgment.
3. Copy of the Court order, if applicable.

(A-13) Indicate if the Applicant's customers will be able to access alternative toll service providers or resellers via 1+101XXXX access.

☒ Yes

☐ No

(A-14) Is Applicant willing to post a Performance Bond? Please check appropriate box(s).

☒ For Long Distance Resellers, a \$10,000 bond will be recommended for those resellers who collect advances, prepayments or deposits.

☐ Yes

☒ No

If "No", continue to question (A-15).

☐ For Local Exchange Resellers, a \$25,000 bond will be recommended.

☐ Yes

☐ No

If "No", continue to question (A-15).

☐ For Facilities-Based Providers of Long Distance, a \$100,000 bond will be recommended.

☐ Yes

☐ No

If "No", continue to question (A-15).

☐ For Facilities-Based Providers of Local Exchange, a \$100,000 bond will be recommended.

☐ Yes

☐ No

If any box in (A-14) is marked "No", continue to question (A-15).

Note: Amounts are cumulative if the Applicant is applying for more than one type of service.

(A-15) If any box in (A-14) is marked "No", provide the following information. Clarify and explain the Applicant's deposit policy (reference by tariff page number). Provide a detailed explanation of why the Applicant's superior financial position limits any risk to Arizona consumers.

Toly does not require any deposit from their customers, the local exchange carriers. Toly is a wholesale reseller of toll minutes and does not deal directly with the end-user.

(A-16) Submit copies of affidavits of publication that the Applicant has, as required, published legal notice of the Application in all counties where the Applicant is requesting authority to provide service.

Note: For Resellers, the Applicant must complete and submit an Affidavit of Publication Form as Attachment "C" before Staff prepares and issues its report. Refer to the Commission's website for Legal Notice Material (Newspaper Information, Sample Legal Notice and Affidavit of Publication). For Facilities-Based Service Providers, the Hearing Division will advise the Applicant of the date of the hearing and the publication of legal notice. Do not publish legal notice or file affidavits of publication until you are advised to do so by the Hearing Division.

(A-17) Indicate if the Applicant is a switchless reseller of the type of telecommunications services that the Applicant will or intends to resell in Arizona:



Yes



No

If "Yes", provide the name of the company or companies whose telecommunications services the Applicant resells.

(A-18) List the States in which the Applicant has had an application approved or denied to offer telecommunications services similar to those that the Applicant will or intends to offer in Arizona:

Alabama
Colorado
Florida
Georgia
Indiana
Kansas
Louisiana
Missouri
Mississippi
North Carolina
Pennsylvania
Tennessee
Texas
Utah
Virginia
Vermont
Wisconsin

Note: If the Applicant is currently approved to provide telecommunications services that the Applicant intends to provide in Arizona in less than six states, excluding Arizona, list the Public Utility Commission ("PUC") of each state that granted the authorization. For each PUC listed provide the name of the contact person, their phone number, mailing address including zip code, and e-mail address.

(A-19) List the States in which the Applicant currently offers telecommunications services similar to those that the Applicant will or intends to offer in Arizona.

Alabama
Colorado
Florida
Georgia
Indiana
Kansas
Louisiana
Missouri
Mississippi
North Carolina
Pennsylvania
Tennessee
Texas
Utah
Virginia
Vermont
Wisconsin

Note: If the Applicant currently provides telecommunication services that the Applicant intends to provide in Arizona in six or more states, excluding Arizona, list the states. If the Applicant does not currently provide telecommunications services that the Applicant intends to provide in Arizona in five or less states, list the key personnel employed by the Applicant. Indicate each employee's name, title, position, description of their work experience, and years of service in the telecommunications services industry.

(A-20) List the names and addresses of any alternative providers of the service that are also affiliates of the telecommunications company, as defined in R14-2-801.

Not Applicable

(A-21) Check here if you wish to adopt as your petition a statement that the service has already been classified as competitive by Commission Decision:

- ☒ Decision # 6417 Resold Long Distance
☐ Decision # 64178 Resold LEC
☐ Decision # 64178 Facilities Based Long Distance
☐ Decision # 64178 Facilities Based LEC

B. FINANCIAL INFORMATION

(B-1) Indicate if the Applicant has financial statements for the two (2) most recent years.

☒ Yes ☐ No

If "No," explain why and give the date on which the Applicant began operations.

(B-2) Include "Attachment D".

Toly does not have audited financial statements but will provide compiled financial statements. Toly would like to request that its financial statement be treated as confidential and not be made public.

Provide the Applicant's financial information for the two (2) most recent years.

1. A copy of the Applicant's balance sheet.
2. A copy of the Applicant's income statement.
3. A copy of the Applicant's audit report.
4. A copy of the Applicant's retained earnings balance.
5. A copy of all related notes to the financial statements and information.

Note: Make sure "most recent years" includes current calendar year or current year reporting period.

(B-3) Indicate if the Applicant will rely on the financial resources of its Parent Company, if applicable.

Not Applicable

(B-4) The Applicant must provide the following information.

1. Provide the projected total revenue expected to be generated by the provision of telecommunications services to Arizona customers for the first twelve months following certification, adjusted to reflect the maximum rates for which the Applicant requested approval. Adjusted revenues may be calculated as the number of units sold times the maximum charge per unit.

Total projected revenue for the first twelve months following certification is \$120,000.

2. Provide the operating expenses expected to be incurred during the first twelve months of providing telecommunications services to Arizona customers following certification.

Operating expenses expected to be incurred during the first twelve months following revenues is \$112,500.

3. Provide the net book value (original cost less accumulated depreciation) of all Arizona jurisdictional assets expected to be used in the provision of telecommunications service to Arizona customers at the end of the first twelve months of operation. Assets are not limited to plant and equipment. Items such as office equipment and office supplies should be included in this list.

- *Toly does not own any assets in Arizona. All its assets are located in Florida. TDN resells wholesale interexchange long distance minutes to local phone companies. Toly does not have any dealings with the end users.*

4. If the projected value of all assets is zero, please specifically state this in your response.

- *See answer to # 3*

5. If the projected fair value of the assets is different than the projected net book value, also provide the corresponding projected fair value amounts.

- *See answer to # 3*

C. RESOLD AND/OR FACILITIES-BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES

(C-1) Indicate if the Applicant has a resale agreement in operation,

☐

Yes

☐

No

If "Yes", please reference the resale agreement by Commission Docket Number or Commission Decision Number.

D. FACILITIES-BASED LONG DISTANCE AND/OR FACILITIES BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES

(D-1) Indicate if the Applicant is currently selling facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services in Arizona. This item applies to an Applicant requesting a geographic expansion of their CC&N:

☐ Yes ☐ No

If "Yes," provide the following information:

1. The date or approximate date that the Applicant began selling facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services in Arizona.
2. Identify the types of facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services that the Applicant sells in Arizona.

If "No," indicate the date when the Applicant will begin to sell facilities-based long distance telecommunications AND/OR facilities-based local exchange telecommunications services in Arizona.

E. FACILITIES-BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES

(E-1) Indicate whether the Applicant will abide by the quality of service standards that were approved by the Commission in Commission Decision Number 59421:

☐ Yes ☐ No

(E-2) Indicate whether the Applicant will provide all customers with 911 and E911 service, where available, and will coordinate with incumbent local exchange carriers ("ILECs") and emergency service providers to provide this service:


☐ Yes ☐ No

(E-3) Indicate that the Applicant's switch is "fully equal access capable" (i.e., would provide equal access to facilities-based long distance companies) pursuant to A.A.C. R14-2-1111 (A):

☐ Yes ☐ No

I certify that if the applicant is an Arizona corporation, a current copy of the Articles of Incorporation is on file with the Arizona Corporation Commission and the applicant holds a Certificate of Good Standing from the Commission. If the company is a foreign corporation or partnership, I certify that the company has authority to transact business in Arizona. I certify that all appropriate city, county, and/or State agency approvals have been obtained. Upon signing of this application, I attest that I have read the Commission's rules and regulations relating to the regulations of telecommunications services (A.A.C. Title 14, Chapter 2, Article 11) and that the company will abide by Arizona state law including the Arizona Corporation Commission Rules. I agree that the Commission's rules apply in the event there is a conflict between those rules and the

company's tariff, unless otherwise ordered by the Commission. I certify that to the best of my knowledge the information provided in this Application and Petition is true and correct.


(Signature of Authorized Representative)

5/21/12
(Date)

Mark E. Suto
(Print Name of Authorized Representative)

VICE PRESIDENT
(Title)

SUBSCRIBED AND SWORN to before me this 21 day of May, 2012



Sharon Sonntag
COMMISSION #EE186053
EXPIRES: APR. 03, 2016
WWW.AARONNOTARY.COM

NOTARY PUBLIC

My Commission Expires 4/3/2016

Toly Digital Networks, Inc.

ATTACHMENT A

Company Officers

The following individuals are officers and directors of Toly Digital Networks, Inc. and can be reached at the company's corporate office at 1105 West Indiantown Rd. #201 Jupiter, FL 33458.

Directors:		Phone Number	Ownership %
Mark W. Suto	VP, Treasurer	561-694-8655	8%
Aaron Suto	President	561-694-8655	51%
Nancy Suto	Secretary	561-694-8655	20%
Mark E. Suto	Vice President	561-694-8655	20%

AZ CORPORATION COMMISSION
FILED

03855619

DO NOT PUBLISH
THIS SECTION

MAY 0 8 2012

' Attachment A '

FILE NO. F-1758LD150

APPLICATION FOR AUTHORITY
TO TRANSACT BUSINESS
IN ARIZONA
Pursuant to A.R.S. § 10-1503

1. The corporate name must contain a corporate ending which may be "corporation," "association," "company," "limited," "incorporated" or an abbreviation of any of these words. If you are the holder or assignee of a trademark or trade name, attach a Trade Name Certificate. If your name is not available for use in Arizona, you must adopt a fictitious name and provide a resolution adopting the name, which must be executed by the corporation Secretary.

3. You must provide the total duration in years for which your corporation was formed to endure. If perpetual succession, so indicate in this section. Do not leave blank, or state 'not applicable'.

4. If the state or country of incorporation does not require an address to be maintained, provide the street address of the statutory agent in the state or country of incorporation.

5. The statutory agent must provide a street address. If statutory agent has a P.O. Box, then they must also provide a physical street address/location.

The name of the corporation is: TOLY DIGITAL NETWORKS, INC.

A(n) Florida Corporation
(State or Country)

☒ We are a foreign corporation applying for authority to transact business in the state of Arizona.

1. The exact name of the foreign corporation is:
TOLY DIGITAL NETWORKS, INC.

If the exact name of the foreign corporation is not available for use in this state, then the fictitious name adopted for use by the corporation in Arizona is:

_____(FN).

2. The name of the state or country in which the foreign corporation is incorporated is:
Florida

3. The foreign corporation was incorporated on the 22nd day of August
1995 and the period of its duration is: Perpetual

4. The street address of the principal office of the foreign corporation in the state or country of its incorporation is:

1005 West Indiantown Road, Suite 201

Jupiter, FL 33458

5. The name and street address of the statutory agent for the foreign corporation in Arizona is:

Hubert E. Kelly

3035 East Weldon

Phoenix, AZ 85016

**DO NOT PUBLISH
THIS SECTION**

5.b. Indicate to which address general correspondence should be mailed.

6. If the purpose of your corporation has any limitations please indicate. If not, state no limitations or leave blank.

8. The total number of shares authorized (not issued) cannot be blank or "Not Applicable." The number must match Articles of Incorporation in domicile state.

5.a. The street address of the known place of business of the foreign corporation in Arizona IF DIFFERENT from the street address of the statutory agent is:

5.b. General correspondence should be mailed to the address specified above in section 4 xxx or section 5a _____.

6. The purpose of the corporation is to engage in any and all lawful business in which corporations may engage in the state or country under whose law the foreign corporation is incorporated, with the following limitations if any:

7. The names and business addresses of the current directors and officers of the foreign corporation are: (Attach additional sheets if necessary.)

Name: See Attached List [title]

Address: _____

City, State, Zip _____

Name: _____ [title]

Address: _____

City, State, Zip _____

Name: _____ [title]

Address: _____

City, State, Zip _____

8. The foreign corporation is authorized to issue 60,400 shares, itemized as follows: (Attach additional sheets if necessary.)

15,100 shares of VOTING COMMON STOCK [class or series] stock at xxx no par value or par value of \$ NO PAR per share.

45,300 shares of NONVOTING COMMON STOCK [class or series] stock at xxx no par value or par value of \$ NO PAR per share.

_____ shares of _____ [class or series] stock at _____ no par value or par value of \$ _____ per share.

**TOLY DIGITAL NETWORKS, INC.
LIST OF DIRECTORS AND OFFICERS**

7. The names and business addresses of the current directors and officers of the foreign corporation are:

Name: Aaron M. Soto, Director/President [title]
Address: 1005 West Indiantown Road, Suite 201
City, State, Zip Jupiter, FL 33458

Name: Mark W. Suto, Director/Vice-President/Treasurer [title]
Address: 1005 West Indiantown Road, Suite 201
City, State, Zip Jupiter, FL 33458

Name: Mark E. Suto, Director/Vice-President [title]
Address: 1005 West Indiantown Road, Suite 201
City, State, Zip Jupiter, FL 33458

Name: Nancy A. Suto, Director/Secretary [title]
Address: 1005 West Indiantown Road, Suite 201
City, State, Zip Jupiter, FL 33458

**DO NOT PUBLISH
THIS SECTION**

9. The total number of shares issued cannot be blank or "Not Applicable." If no shares have been issued, put the word "none" or "zero" or the number 0. Include only shares actually issued in this section.

The Application must be accompanied by the following: QA Certificate of Disclosure, executed within 30 days of delivery to the Commission, by a duly authorized officer

QA certified copy of your articles of Incorporation, all amendments and mergers (AZ Const. Art. XIV, § 8) and a certificate of existence or document of similar import duly authenticated (within 60 days of delivery to A.C.C.) by the official having custody of corporate records in the state or country under whose laws the corporation is incorporated.

The agent must consent to the appointment by signing the consent.

9. The foreign corporation has issued 38,200 shares, itemized as follows:
15,100 shares of VOTING COMMON STOCK [class or series] stock at
xxx no par value or par value of \$ NO PAR per share.

23,100 shares of NONVOTING COMMON STOCK [class or series] stock at
xxx no par value or par value of \$ NO PAR per share.

____ shares of _____ [class or series] stock at
____ no par value or par value of \$ _____ per share.

10. The character of business the foreign corporation initially intends to conduct in Arizona is:
To provide telecommunication services

Dated this 27th day of April, 2012

Signature: _____

(must be signed by a duly authorized Officer)

MARK Juto

[print name]

VP

[title]

PHONE _____

[optional]

FAX _____

[optional]

ACCEPTANCE OF APPOINTMENT BY STATUTORY AGENT

The undersigned hereby acknowledges and accepts the appointment as statutory agent of this corporation effective this 11th day of MAY, 2012

Signature _____

Hubert E. Kelly, Esquire

[Print Name]

[If signing on behalf of a company serving as statutory agent,
print company name here]

CERTIFICATE OF DISCLOSURE

A.R.S. §10-202(D) (for-profits and financial institutions) or §10-3202(D) (nonprofits)

TOLY DIGITAL NETWORKS, INC.

EXACT CORPORATE NAME

- A. Has any person (i) who is currently an officer, director, trustee, incorporator, or (ii) (for-profits and financial institutions only) who controls or holds over 10% of the issued and outstanding common shares or 10% of any other proprietary, beneficial or membership interest in the corporation been:
1. Convicted of a felony involving a transaction in securities, consumer fraud or antitrust in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate?
 2. Convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false pretenses, or restraint of trade or monopoly in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate?
 3. Subject to an injunction, judgment, decree or permanent order of any state or federal court entered within the seven-year period immediately preceding the execution of this Certificate wherein such injunction, judgment, decree or permanent order:
 - (a) Involved the violation of fraud or registration provisions of the securities laws of that jurisdiction; or
 - (b) Involved the violation of the consumer fraud laws of that jurisdiction; or
 - (c) Involved the violation of the antitrust or restraint of trade laws of that jurisdiction?

Yes _____ No ☒

B. IF YES, the following information MUST be attached:

1. Full name, prior name(s) and aliases, if used.
2. Full birth name.
3. Present home address.
4. Prior addresses (for immediate preceding 7-year period).
5. Date and location of birth.
6. The nature and description of each conviction or judicial action, including the date and location, the court and public agency involved and file or cause number of case.

- C. Has any person (i) who is currently an officer, director, trustee, incorporator, or (ii) (for-profits and financial institutions only) who controls or holds over twenty per cent of the issued and outstanding common shares or twenty per cent of any other proprietary, beneficial or membership interest in the corporation served in any such capacity or held a twenty per cent interest in any other corporation in any jurisdiction on the bankruptcy or receivership of the other corporation?

Yes _____ No ☒

IF YOUR ANSWER TO THE ABOVE QUESTION IS "YES", YOU MUST ATTACH THE FOLLOWING INFORMATION FOR EACH CORPORATION:

1. Name and address of the other corporation.
2. Full name (including aliases) and address of each person involved.
3. State(s) in which the other corporation:
 - (a) was incorporated.
 - (b) has transacted business.
4. Dates of corporate operation.
5. Case information for bankruptcy or receivership (date, case number, court).

Under penalties of law, the undersigned incorporator(s)/officer(s)/director(s) declare(s) that I(we) have examined this Certificate, including any attachments, and to the best of my(our) knowledge and belief it is true, correct and complete, and hereby declare as indicated above. THE SIGNATURE(S) MUST BE DATED WITHIN THIRTY (30) DAYS OF THE DELIVERY DATE.

BY Mark Suto BY _____
PRINT NAME MARK SUTO PRINT NAME _____
TITLE V.P. DATE 4/27/12 TITLE _____ DATE _____

ARIZONA CORPORATIONS: ALL INCORPORATORS MUST SIGN THE INITIAL CERTIFICATE OF DISCLOSURE. If within sixty days any person becomes an officer, director, trustee or (for-profits or financial institutions) person controlling or holding over 10% of the issued and outstanding shares or 10% of any other proprietary, beneficial, or membership interest in the corporation and the person was not included in this disclosure, the corporation must file a SUPPLEMENTAL certificate signed by at least one duly authorized officer of the corporation.

FOREIGN CORPORATIONS: MUST BE SIGNED BY AT LEAST ONE DULY AUTHORIZED OFFICER OF THE CORPORATION.

FINANCIAL INSTITUTIONS: MUST BE SIGNED BY TWO (2) DULY AUTHORIZED OFFICERS OR DIRECTORS OF THE CORPORATION.

TOLY DIGITAL NETWORKS, INC
ISSUED DATE: December 2011

RESELL TARIFF
EFFECTIVE DATE: March 31, 2012
ORIGINAL SHEET 1

Attachment B

TARIFF FILING

of

TOLY DIGITAL NETWORKS, INC.

For the

RESELL OF TELECOMMUNICATIONS SERVICES

This Tariff contains the rates, terms and conditions applicable to intrastate interexchange services offered by Toly Digital Networks, Inc., within the State of Arizona. The provisions of this tariff apply only to the intrastate interexchange services described in this tariff.

ISSUED BY:

Aaron Suto, President
Toly Digital Networks, Inc.
1005 W. Indiantown Rd. #201
Jupiter, FL 33458

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ISSUED BY:

Aaron Suto, President
Toly Digital Networks, Inc.
1005 W. Indiantown Rd. #201
Jupiter, FL 33458

TARIFF FORMAT

A. Page Numbering - Page numbers appear in the upper right corner of the page. Pages are numbered sequentially. However, new pages are occasionally added to the tariff. When a new page is added between pages already in effect, a decimal is added.

B. Page Revision Numbers - Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current page version on file with the Arizona Regulatory Authority (hereinafter TRA). For example, the 4th revised page 14 cancels the 3rd revised page 14.

C. Paragraph Numbering Sequence - There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:

2
2.1
2.1.1
2.1.1.A
2.1.1.A.1
2.1.1.A.1.(a)
2.1.1.A.1.(a).l
2.1.1.A.1.(a).l.(i)
2.1.1.A.1.(a).l.(i).(1)

ISSUED BY:

Aaron Suto, President
Toly Digital Networks, Inc.
1005 W. Indiantown Rd. #201
Jupiter, FL 33458

EXPLANATION OF SYMBOLS

Changes to this tariff shall be identified on the revised page(s) through the use of symbols. The following are the only symbols used for the purposes indicated below:

- (C) To signify changed regulation.
- (D) To signify discontinued rate or regulation.
- (I) To signify an increase.
- (M) To signify matter relocated without change.
- (N) To signify new rate or regulation.
- (R) To signify reduction.
- (S) To signify reissued matter.
- (T) To signify change in text but no change in rate or regulation.
- (Z) To signify a correction.

ISSUED BY:

Aaron Suto, President
Toly Digital Networks, Inc.
1005 W. Indiantown Rd. #201
Jupiter, FL 33458

TOLY DIGITAL NETWORKS, INC
ISSUED DATE: December 2011

RESELL TARIFF
EFFECTIVE DATE: March 31, 2012
ORIGINAL SHEET 5

APPLICATION OF TARIFF

This Tariff is available for public inspection during normal business hours at the main office of Toly Digital Networks, Inc., located at:

1005 W. Indiantown Rd. #201
Jupiter, FL 33458

This Tariff contains the rates, terms and conditions of service applicable to the furnishing of the within described intrastate interexchange services by Toly Digital Networks, Inc.. This Tariff applies to wholesale interexchange services offered by Toly Digital Networks, Inc. to certificated telecommunications companies only. Toly Digital Networks does not offer or provide any services to the general public.

ISSUED BY:

Aaron Suto, President
Toly Digital Networks, Inc.
1005 W. Indiantown Rd. #201
Jupiter, FL 33458

SECTION 1 - TERMS AND ABBREVIATIONS

1 . Definitions

CLEC - Competitive Local Exchange Company

TRA - Refers to the Arizona Regulatory Agency

Company – Toly Digital Networks, Inc., issuer of this tariff

Customer – Any telecommunications provider authorized by the TRA provide local exchange service in Arizona.

End Users - Those users of the Customer's service.

LEC - Local Exchange Company.

Wholesale Service - Services made available by the Company to TRA certificated LECs and CLECs.

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SECTION 2 – GENERAL

2. General

The Company will make local exchange services as identified herein available to certificated LECs and CLECs in the State of Arizona, on a wholesale basis, for Customers to resell to the Customer's end users.

2.1 Limitations

A. Neither this tariff nor any actions taken by the Company or the Customer in compliance with this tariff shall be deemed to create an agency or joint venture relationship between the Customer and the Company, or any relationship other than that of purchaser and seller.

B. Neither this tariff, nor any actions taken by the Company or the Customer in compliance with this tariff shall create a contractual, agency, or any other type of relationship between the Company and the Customer's end users, except for those delineated in Section 4.3.

C. No licenses under patents (other than the limited license to use) is granted by the Company or shall be implied or arise by estoppels, with respect to any service offered under this tariff.

D. End users may not purchase services under this tariff.

E. The Company has no rights against, or obligations, liabilities, or duties to, the Customer's end users under this tariff, except for those delineated in Section 4.3.

F. Services will be provided to Customers under this tariff only to the extent that the necessary facilities and necessary operational support systems are available.

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SECTION 3 – LIMITATIONS ON LIABILITY

3. Limitations on Liability

3.1 Except as otherwise stated in this section, the liability of the Company for damages arising out of either: (1) the furnishing of its services, including but not limited to mistakes, omissions, interruptions, delays, or errors, or other defects, representations, or use of these services or (2) the failure to furnish its service, whether caused by acts or omission, shall be limited to the extension of allowances to the Customer for interruptions in service as set forth in Section 6.4.

3.2 Except for the extension of allowances to the Customer for interruptions in service as set forth in Section 6.4, the Company shall not be liable to a Customer or third party for any direct, indirect, special, incidental, reliance, consequential, exemplary or punitive damages, including, but not limited to, loss of revenue or profits, for any reason whatsoever, including, but not limited to, any act or omission, failure to perform, delay, interruption, failure to provide any service or any failure in or breakdown of facilities associated with the service.

3.3 The liability of the Company for errors in billing that result in overpayment by the Customer shall be limited to a credit equal to the dollar amount erroneously billed or, in the event that payment has been made and service has been discontinued, to a refund of the amount erroneously billed.

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SECTION 3 – LIMITATIONS ON LIABILITY (CONT'D.)

3. Limitations on Liability (Cont'd.)

3.4 The Company shall be indemnified and held harmless by the Customer or its end users from and against all loss, liability, damage and expense, including reasonable counsel fees, due to:

A. Any act or omission of (a) the Customer, (b) any other entity furnishing service, equipment or facilities for use in conjunction with services or facilities provided by the Company; or (c) common carriers or warehousemen, except as contracted by the Company;

B. Any delay or failure of performance or equipment due to causes beyond the Company's control, including but not limited to, acts of God, fires, floods, earthquakes, hurricanes, or other catastrophes; national emergencies, insurrections, riots, wars or other civil commotions; strikes, lockouts, work stoppages or other labor difficulties; criminal actions taken against the Company; unavailability, failure or malfunction of equipment or facilities provided by the Customer or third parties; and any law, order, regulation or other action of any governing authority or agency thereof;

C. Any unlawful or unauthorized use of the Company's facilities and services;

D. Libel, slander, invasion of privacy or infringement of patents, trade secrets, or copyrights arising from or in connection with the material transmitted by means of Company provided facilities or services; or by means of the combination of Company-provided facilities or services;

E. Breach in the privacy or security of communications transmitted over the Company's facilities.

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SECTION 3 – LIMITATIONS ON LIABILITY (CONT'D.)

3. Limitations on Liability (Cont'd.)

3.4 (Cont'd.)

F. Changes in any of the facilities, operations or procedures of the Company that render any equipment, facilities or services provided by the Customer obsolete, or require modification or alteration of such equipment, facilities or services, or otherwise affect their use or performance, except where reasonable notice is required by the Company and is not provided to the Customer, in which event the Company's liability is limited as set forth in paragraph A. of this Subsection 3.4.

G. Defacement of or damage to Customer premises resulting from the furnishing of services or equipment on such premises or the installation or removal thereof;

H. Injury to property or injury or death to persons, including claims for payments made under Workers' Compensation law or under any plan for employee disability or death benefits, arising out of, or caused by, any act or omission of the Customer, or the construction, installation, maintenance, presence, use or removal of the Customer's facilities or equipment connected, or to be connected to the Company's facilities ;

I. Any non-completion of calls due to network busy conditions;

J. Any calls not actually attempted to be completed during any period that service is unavailable; and

K. Any other claim resulting from any act or omission of the Customer or end users of the Customer relating to the use of the Company's services or facilities.

3.5 The Company does not guarantee nor make any warranty with respect to installations provided by it for use in an explosive atmosphere.

3.6 THE COMPANY MAKES NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, STATUTORY OR OTHERWISE, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE, EXCEPT THOSE EXPRESSLY SET FORTH HEREIN.

3.7 Failure by the Company to assert its rights pursuant to one provision of this tariff does not preclude the Company from asserting its rights under other provisions.

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SECTION 3 – LIMITATIONS ON LIABILITY (CONT'D.)

3. Limitations on Liability (Cont'd.)

3.8 Directory Errors - In the absence of gross negligence or willful misconduct, no liability for damages arising from errors or mistakes in or omissions of directory listings, or errors or mistakes in or omissions of listing obtainable from the directory assistance operator, including errors in the reporting thereof, shall attach to the Company. An allowance for errors or mistakes in or omissions of published directory listings or for errors or mistakes in or omissions of listing obtainable from the directory assistance operator shall be at the monthly tariff rate for each listing, or in the case of a free or no-charge directory listing, credit shall equal two times the monthly tariff rate for an additional listing, for the life of the directory or the charge period during which the error, mistake or omission occurs.

3.9 With respect to Emergency Number 911 Service:

A. This service is offered solely as an aid in handling assistance calls in connection with fire, police and other emergencies. The Company is not responsible for any losses, claims, demands, suits or any liability whatsoever, whether suffered, made instituted or asserted by the Customer or by any other party or person for any personal injury or death of any person or persons, and for any loss, damage or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused by: (1) mistakes, omissions, interruptions, delays, errors or other defects in the provision of service, of (2) installation, operation, failure to operate, maintenance, removal, presence, condition, local or use of any equipment and facilities furnishing this service.

B. Neither is the Company responsible for any infringement, nor invasion of the right of privacy of any person or persons, caused or claimed to have been caused directly or indirectly, by the installation, operation, failure to operate, maintenance, removal, presence, condition, occasion or use of emergency 911 service features and the equipment associated therewith, or by any services furnished by the Company, including, but not limited to the identification of the telephone number, address or name associated with the telephone used by the party or parties accessing emergency 911 service, and which arise out of the negligence or other wrongful act of the Company, the Customer, its users, agencies or municipalities, or the employees or agents of any one of them.

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SECTION 4 - RESPONSIBILITY OF THE CUSTOMER

4. Responsibility of the Customer

4.1 Ordering Service

A. The Customer shall be responsible for the accuracy and completeness of all provisioning requests and orders it submits. The Company will not be responsible for service discrepancies resulting from the Customer's failure to place a service order or the placement of an incorrect service order. The Customer will remain responsible for charges for all services on a line until it submits an order to discontinue the provision of such services, whether or not the Customer's end user is still using such services.

B. The Customer purchasing service under this tariff must place an order or otherwise establish service with the Company through the appropriate operational interfaces established by the Company. The Customer modifying or discontinuing an existing order or service must place an order or provide appropriate information to the Company through the appropriate operational interfaces established by the Company.

C. All Customers must establish automated interfaces complying with the format specified by the Company in order to accommodate ordering, provisioning, billing and collections, customer service and account management functions.

4.2 The Customer shall provide to the Company any information that is reasonable necessary to enable the Company to fulfill its obligations under this tariff and any contract arrangement the two parties may enter into.

4.3 Where a Customer discontinues its provision of service to its end users, for any reason, except for customer specific credit or payment problems, the Customer must send advance written notice of such discontinuance to the Company. Such notice must include a verification that the Customer has notified its end users of the discontinuance, and must state the date on which such end user notice was mailed. If the Customer fails to provide notice, the Company will provide continuous service to the discontinued customers followed by a notice that end user's carrier is no longer providing service and that the end user needs to make other arrangements for local service. If the end user fails to make other arrangements, the Company may continue to service the end user at the Company's retail rates and not under this tariff. The Customer must provide the Company with any information necessary to enable the Company to assume the end user accounts.

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SECTION 4 - RESPONSIBILITY OF THE CUSTOMER (CONT'D.)

4. Responsibility of the Customer (Cont'd.)

4.4 To the extent reasonably necessary for the planning of the Company's facilities and operations, the Customer shall provide, on request, forecasts of the approximate number of units of telephone exchange service and other services that the Customer expects to require in particular geographic areas. Such forecasts shall be considered confidential by the Company.

4.5 The Customer is responsible for prompt payment of bills for wholesale service. The Company may bill in advance charges for all services to be provided during the ensuing billing period except for charges associated with service usage unless such charges are billed on a forecasted basis to be trued-up at an agreed upon cycle with the Customer.

4.6 The Customer is responsible for the payment of any regulatory fees including but not limited to 911, 711, 311, relay services and Universal Service or Targeted Accessibility Funds. The Customer is responsible for the payment of sales, use, gross receipts, excise, access or other local, state and federal taxes, charges or surcharges (however designated), excluding taxes on the Company's net income, imposed on or based upon the provision, sale or use of local services.

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SECTION 5 - REFUSAL AND DISCONTINUANCE OF SERVICE

5. Refusal and Discontinuance of Service

In addition to any contract termination and penalty clauses, the Company reserves the right to the following:

5.1 The Company reserves the right to refuse an application for service from a Customer that is substantially owned, directly or indirectly, by an entity who is indebted to the Company for services previously furnished until the indebtedness is satisfied. The circumstances in which a Customer shall be deemed to be substantially owned, directly or indirectly, by an indebted entity, shall include situations in which the entities are substantially owned directly or indirectly, by the same entity or entities.

5.2 If the Customer fails to comply with the rules and regulations of this tariff, or if it fails to pay any sum owing to the Company for more than thirty (30) days beyond the date of rendition of the bill for service, or if the Customer fails to comply with the terms and conditions of the contract for service, then the Company may, on ten (10) days written notice by overnight or certified U S Mail to the person designated by the Customer to receive such notice of noncompliance, refuse additional applications for service and/or refuse to complete any pending orders for service by the non-complying Customer at anytime thereafter. If the Company does not refuse additional applications for service on the date specified in the ten (10) days notice, and the Customer's noncompliance continues, nothing contained herein shall preclude the Company's right to refuse additional applications for service to the non-complying Customer without further notice.

5.3 The Company may discontinue service or cancel an application for service without notice in the event the Company is prohibited from furnishing services by order of a court or other government authority having jurisdiction.

5.4 In the event of fraudulent use of the Company's network, by the Customer and/or the Customer's end users, including but not limited to fraudulent end user orders for transfer of service, the Company will discontinue service without notice and/or seek legal recourse to recover all costs involved in enforcement of this provision.

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5 – Refusal and Discontinuance of Service (Cont'd).

5.5 The Company will not be required to seek payment from the Customer's end users prior to terminating the Customer's service or pursuing any other remedies for nonpayment by the Customer. The Customer will thus be a direct obligor of the Company, and not guarantor or surety for any obligations of the Customer's end user.

5.6 The Customer agrees to abide by all Commission rules and regulations, FCC rules and regulations and all applicable state and federal statutes and regulations, including but not limited to, rules regarding slamming and cramming.

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SECTION 6 – RESPONSIBILITY OF THE COMPANY

6. Responsibility of the Company

6.1 Billing

A. The Company will establish a billing date for each Customer account. Billing is calculated in U. S. dollars. Customers are required to provide payment in Immediately Available U. S. Funds.

B. The bill will cover non-usage sensitive service charges for the ensuing billing period for which the bill is rendered and any adjustments and credits. Usage charges will be billed in arrears unless the parties have agreed, via contract that forecasted usage charges may be billed. Forecasted usage charges may also be billed in the event the Customer is greater than sixty (60) days past due on bills for two consecutive billing periods.,

C. If any portion of the payment is received by the Company after the payment date, or if any portion of the payment is received by the Company in funds which are not immediately available to the Company, then a late payment penalty shall be due to the Company. The late payment penalty shall be the portion of the payment not received by the payment due dates times a late factor the greater of 2% or the maximum rate as allowed by law. Immediately Available U S Funds denotes a corporate or personal check drawn on a bank account and funds which are available for use by the receiving party on the same day on which they are received and include U S Federal Reserve bank wire transfers, US Federal Reserve note (paper cash), U S Coins and U S Postal money orders.

6.2 Customer Deposits

A. The Company may require any Customer which has previously made a late payment or has an outstanding balance, or which parent company or holding company or successor entity has a history of late payments to the Company, or which does not have established credit, to make a deposit prior to or at any time after the provision of a service under this tariff, or a contracted service which stems from the authority granted in this tariff.

B. A deposit required under this section may not exceed the actual or forecasted rates and charges for the service(s) for a two month period.

C. Payment of a deposit does not relieve the Customer from its obligations to comply with the Company's regulations regarding the prompt payment of bills.

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SECTION 6 – RESPONSIBILITY OF THE COMPANY (CONT'D.)

6. Responsibility of the Company (Cont'd.)

6.2 Customer Deposits, (Cont'd.)

D. At such time as the provision of service to the Customer is terminated, the amount of the deposit will be credited to the Customer account and any credit balance which may remain will be refunded.

E. Such a deposit will be refunded or credited to the account when the Customer has established credit to the satisfaction of the Company.

F. Interest on deposits is set at the late payment fee referenced in this tariff.

6.3 Billing Disputes

A. In the event that a billing dispute occurs concerning any charges billed to the Customer by the Company, all undisputed amounts must be paid in order to avoid termination of service. All disputed amounts must be paid to an independent third party escrow agent identified by the Company while resolution of the dispute occurs, in order to avoid termination of service.

B. The Customer must submit a documented claim for the disputed amount. The Customer will submit all documentation as may reasonably be required to support the claim. All claims must be submitted to the Company within 90 days of receipt of billing for those services. If the Customer does not submit a claim as stated above, the Customer waives all rights to filing a claim thereafter. Unless disputed, the invoice shall be deemed to be correct and payable in full by the Customer.

C. If the dispute is resolved in favor of the Customer and the Customer has withheld the disputed amount, no interest credits or penalties will apply.

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SECTION 7 – OPERATION, MAINTENANCE AND ENGINEERING

7. Operation, Maintenance and Engineering

The Company and the Customer are each individually responsible for the installation, operation, and maintenance of the equipment and facilities on their own respective networks. The Company and the Customer will perform functions for each other which are reasonable necessary to engineer, install, maintain, and administer the facilities subject to this arrangement.

SECTION 8 – WHOLESALE SERVICES, RATES AND CHARGES

8. Wholesale Services, Rates and Charges

8.1 Wholesale services will be made available to eligible customers at rates to be determined on an Individual Case Basis (ICB).

ISSUED BY:

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ATTACHMENT C

**NOTICE OF APPLICATION FOR A CERTIFICATE OF CONVENIENCE AND
NECESSITY TO PROVIDE COMPETITIVE RESOLD INTEREXCHANGE
TELECOMMUNICATIONS SERVICE BY TOLY DIGITAL NETWORKS, INC.**

Toly Digital Networks, Inc. ("Applicant") has filed with the Arizona Corporation Commission ("Commission") an application for a Certificate of Convenience and Necessity ("Certificate") to provide competitive resold interexchange telecommunications services in the State of Arizona. Applicant will be required by the Commission to provide this service under the rates and charges and terms and conditions established by the Commission.

A.R.S. § 40-282 provides that the Commission may act on an application for a Certificate to provide resold telecommunications services without a hearing, or with a hearing, if one is requested by any party. Applicant or any other party must request a hearing within twenty (20) days of the date of this notice, or the Commission will rule on the application without a hearing.

The applications, report of the Commission's Utilities Division Staff, and any written exceptions to the Staff report prepared by the applicant are available for inspection during regular business hours at the offices of the Commission located at 1200 West Washington Street, Phoenix, Arizona 85007, and at Applicant, 1005 W. Indiantown Rd. Ste. 201
Jupiter FL 33458-6834

Under appropriate circumstances, interested parties may intervene in the proceedings, and participate as a party. Intervention shall be in accordance with the A.A.C. R14-3-105, except that all motions to intervene must be filed on or within twenty (20) days of the date of this notice. You may have the right to intervene in the proceedings, or you may make a statement for the record. If you have any comments, mail them to:

The Arizona Corporation Commission
Attention Docket Control
RE: Toly Digital Networks, Inc.
(Enter Docket Number)
1200 West Washington Street
Phoenix, Arizona 85007

All Comments should be received within twenty (20) days of the date of this notice.

If you have any questions about this application or have any objections to its approval, you may contact the Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, AZ 85007, or call (602) 542-4251 or (800) 222-7000.

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request reasonable accommodations such as a sign language interpreter, as well as request this document in an alternative format, by contacting Shaylin Bernal, ADA Coordinator, phone number (602) 542-3931, or Email at SABernal@azcc.gov. Requests should be made as early as possible to allow time to arrange the accommodations.

ATTACHMENT D

Per phone conversation with Will Shant of the Arizona Corporate Commission on 5/11/2012, Toly Digital's financial statement is not submitted with this application because Toly Digital is requesting that its financial statements be treated as confidential material and not be made part of public record. Toly will provide the commission with its financial statements upon request.